

Submitter: Dan Jaffee
On Behalf Of:
Committee: Senate Committee On Finance and Revenue
Measure, Appointment or Topic: SB1586

Dear Chair and Members of the Finance and Revenue Committee:

I am writing to urge you to vote NO on SB 1586 (the “Oregon JOBS Act”), sponsored by Senator Sollman.

Disturbingly, SB 1586 would bring 1,700 acres of some of the best farmland in the world into Hillsboro’s Urban Growth Boundary (UGB) for industrial use via special legislation--completely bypassing Oregon’s well-established land use planning process. Yet Hillsboro already expanded its UGB by over 1,000 acres of industrial land in 2014, which created an ample 50-year supply.

Although the bill’s backers claim that it would not allow for stand-alone data centers, the bill has a huge loophole that would in fact permit almost unlimited data centers, provided they are “attached” to another business. This exception is big enough to drive a utility truck through. What’s more, the federal definition of “advanced manufacturing” specifically includes data centers, and massive data centers attached to anchor business could fill this site just like Hillsboro’s 1,000+ acres of industrial land to the east — 29 data centers and counting.

Data centers create very few, relatively low-paying, jobs. Oregon certainly does not need to welcome further expansion of an industry that consumes massive amounts of electricity, is the main cause of rapidly increasing power rates paid by residents, and receives massive tax abatements in return for very few jobs. And we certainly do not need to pave over what is literally some of the nation’s very highest quality farmland to create more jobs in the first place. Hillsboro alone has hundreds of acres of unbuilt industrial land available for this use, and the Portland metro area has roughly 10,000 acres of undeveloped land already inside the UGB.

There is another major problem: the enormous projected water consumption by the data centers that would occupy this Washington County land will cause a massive transfer of Willamette River water by the nearly completed water pipeline from Wilsonville to Hillsboro. This will reduce the water flow in the Willamette, which has major implications for water quality in the Willamette River in Portland--an area already experiencing severe toxic algae blooms in warm weather.

In addition to SB 1586’s proposed paving over of farmland, this bill proposes extending tax breaks for corporations, many of which operate data centers. However, these data centers are owned by extremely wealthy companies that can and should

be paying their fair share--they most certainly do not need even more tax breaks. This is unconscionable at a moment when Oregon is slashing budgets for basic social services that support working Oregonians. Moreover, contrary to basic democratic process, there have been no public hearings or public engagement about this bill until this committee hearing, announced on extremely short notice.

The precedent set by SB 1586 is also extremely dangerous. If lobbyists and a single legislator can succeed in using custom-made legislation to violate Oregon's well-established land use process and break the UGB to enrich a small group of well-connected landowners, then our land use regulation system will be rendered useless.

I urge you to reject SB 1586's land grab and corporate tax breaks, which will harm all Oregonians. This bill will not create good jobs, but it will pave over nearly 2,000 acres of the nation's best farmland and significantly increase energy and water consumption; and it sets a terrible, anti-democratic precedent by further violating Oregon's established land use regulation system. Please vote NO on SB 1586 in this committee and on the Senate floor.

Thank you for your consideration.

Sincerely,
Dan Jaffee